

NATURAL RESOURCES COMMISSION

FINDINGS AND RECOMMENDATIONS FOR MARINA SLIP RATES (After August 1, 2003)

(Updated October 1, 2006)

INDEX

	<u>PAGE</u>
<u>2003</u>	
<i>Petition for Rate Increase by Hoosier Hills Marina, Inc. (2003)</i>	4
<i>Petition For Rate Increase by Kent's Harbor (2003)</i>	7
<i>Petition for Rate Increase by Lake Monroe Sailing Association (2003)</i>	9
<i>Petition for Rate Increase by Quakertown Marina (2003)</i>	11
 <u>2006</u>	
<i>Petition For Rate Increase by Kent's Harbor (2006)</i>	14
<i>Petition for Rate Increase by Lake Monroe Sailing Association (2006)</i>	16

2003
RECOMMENDATIONS
OF THE
NATURAL RESOURCES
COMMISSION

IN THE MATTER OF:)	
	)	Administrative Cause
PETITION FOR RATE INCREASE	)	Number: 03-072P
BY HOOSIER HILLS MARINA, INC.)	

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.

2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.

3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.

4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips and mooring buoys. The Department completed its comparable analysis.

5. Hoosier Hills Marina has requested slip rate increase ranging from 9% (one slip) to 17% (one slip) with rates of six slips increasing 10%.

6. Hoosier Hills Marina has also requested a rate to be established for five slips—styles that are not currently available.

7. The Natural Resources Commission delegated authority to the Director of the Division of State Parks and Reservoirs in Information Bulletin # 20 (First Amendment) to approve interim rate adjustments for projects or slips not yet constructed or modified. However, the approved rates apply only until the next rate request cycle when Hoosier Hills must present a petition for rate approval as provided in this information bulletin.

8. Hoosier Hills Marina has not requested a slip rate for six years. The marina operator has continued a facility maintenance schedule. The operator has also replaced electric service on

Dock “C” and has completed reinforcement of Docks “A” and “B” with new anchors, and cables along with repairs to dock surfaces.

9. Evidence supports that there is a general industry trend of ever-increasing insurance costs associated with marina operations.

10. The Department supports the request by to increase slip rates in the range 9% to 17% as submitted. The Department also supports the requested rates apply to slips that are planned to be constructed.

11. The requested increase in slip rates and houseboat rental is supportable and may be recommended for approval.

B. Recommendation

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by the Hoosier Hills Marina for existing and proposed facilities be approved as requested and set forth below.

HOUSEBOAT DOCK “A”	
Size	Rate
45’ shared slip	2000.00
50’ shared slip	2310.00
50’ single slip	2800.00
60’ shared slip	2530.00
60’ single slip	3080.00
70’ shared slip	2750.00
70’ single slip	3300.00
80’ shared slip	3000.00
80’ single slip	3600.00

*plus \$25.00/ft/year to extend beyond the slip. Max. 20% of boat out of slip.

SMALL BOAT DOCK “B”	
Size	Rate
20’ shared slip	800.00
24’ shared slip	900.00

* plus \$25.00/ft/year to extend beyond the slip. Max. 20% of boat out of slip

CRUISER DOCK “C”	
Size	Rate
30’ shared slip	1100.00
30’ single slip	1500.00
30’ covered	1650.00
*plus \$25.00/ft/year to extend beyond the slip. Max. 20% of boat out of slip.	

Buoy Balls	
Size	Rate
Small boat/summer	450.00
Large boats/summer	500.00
*Maximum 40' boat on buoy ball.	
Storage	
Winter wet storage	300.00
Winter dry storage	300.00
Temporary slip w/o elec.	12.00
Temporary w/electricity	17.00

IN THE MATTER OF:)	
	)	Administrative Cause
PETITION FOR RATE INCREASE	)	Number: 03-074P
BY KENT’S HARBOR)	

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.
2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.
3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.
4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips, mooring buoys, and hotel rooms.
5. Kent’s Harbor Marina is requesting slip rate increases from 2% to 2.6% along with a 4% increase in lodging and houseboat rentals.
6. Kent’s Harbor Marina paved and expanded parking areas, expanded the restaurant, remodeled the clubhouse and restroom facilities, added a pump out station, and opened a new golf course.
7. Evidence supports that there is a general industry trend of ever-increasing insurance costs associated with marina operations.
8. The Department found it “difficult” to locate other marinas that include slips, lodging, foodservice, and a golf course for its comparable analysis. However, the Department compared Kent’s Harbor Marina 2004 rate increase request to 13 other marinas.
9. The Department found that Kent’s Harbor Marina rates for the 2004 boating season “fall in line” with the industry and are comparable.
10. The requested increase in slip rates, lodging, and houseboat rental is supportable and may be recommended for approval.

B. RECOMMENDATION

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by Kent's Harbor for facilities be approved as requested and set forth below.

2004 PROPOSAL	RATE
HOUSEBOAT RENTALS 36'	\$850
DOCKAGE	
20'	\$1545
24'	\$1545
26'	\$2025
30'	\$2335
36'	\$2645
40'	\$2890
46'	\$3065
50'	\$3330
Over 50'	\$69.25/FT
LODGING	
Studio	\$133 per night
One Bedroom	\$165 per night
Two Bedroom	\$219 per night

IN THE MATTER OF:)
) **Administrative Cause**
PETITION FOR RATE INCREASE BY) **Number: 03-073P**
LAKE MONROE SAILING ASSOCIATION)

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.
2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.
3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.
4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips and mooring buoys. The preponderance of information in the record discloses that the rate increases sought by the Lake Monroe Sailing Association (LMSA) are within the range of slip rates for comparable facilities.
5. The LMSA has shifted from a rate setting policy based on boat length, to rates based on slip size, which is more consistent with the industry and affords a more corresponding comparable evaluation.
6. LMSA has made improvements to the facilities by the replacement of "A" Dock with a new concrete breakwater dock. LMSA performs facility maintenance and continues to develop plans for upgrading and replacing docks, buoys, service craft, and shower and restroom facilities.
7. The proposed rates for the new breakwater slips are below the 2001 rates approved by the Corps of Engineers; and therefore, need not be considered in this report.
8. The requested increase in rates for the wood docks are within the industry range and are supportable. The requested rates may properly be recommended for approval.

B. Recommendation

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by the Lake Monroe Sailing Association, Inc. for existing facilities be approved as requested and set forth below.

USER FEES	2004 <u>PROPOSAL</u> <u>IN DOLLARS</u>
Daily Facility Use	5.00
Annual Facility Use	75.00
Wet Slips (Fees based on slip size)	
Wooden Decked Docks "B", "C", & "D"	
Size 12' x 22'	1045.00
Size 12' x 24'	1095.00
Size 12' x 26'	1195.00
Concrete Decked Breakwater "A" Dock	
Size 12' x 24'	1295.00
Size 12' x 26'	1395.00
Size 14' x 30'	1495.00
Size 14' x 32'	1595.00
Size 14' x 34'	1695.00
Dry Storage (April through Oct)	
Boat <20'	312.00
Boat >20' & < 26'	410.00
Boat > 26'	482.00
Winter Storage (November through March)	
Boat <20'	100.00
Boat > 20' & < 26'	140.00
Boat >26' & < 30'	170.00
Boat > 30' & < 34'	180.00
Boat > 34'	190.00
Trailer/Cradle	70.00
Buoys	
Standard Single Anchor	795.00
Heavy Duty Double or HD Anchor	895.00

IN THE MATTER OF:)	
	)	Administrative Cause
PETITION FOR RATE INCREASE	)	Number: 03-075P
BY THE QUAKERTOWN MARINA)	

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.
2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.
3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.
4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips, mooring buoys, and hotel rooms. The preponderance of information in the record discloses that the rate increases sought by the Quakertown Marina are within the range of slip rates for comparable facilities.
5. Since 1995, Quarkertown Marina has not requested a slip rate increase.
6. Quakertown Marina has upgraded the existing docks. Dock "B" was replaced with a new concrete dock, slip size was increased along with wider fingers and walkways, and electrical and plumbing utilities were upgraded.
7. The customer demand for electricity has increased at the marina due to the larger boats with dual service, with some slip renters living year-round at Quakertown Marina.
8. Evidence supports that there is a general industry trend of ever-increasing insurance costs associated with marina operations.
9. The Department recommended approval for the requested rate increase for the existing facilities.
10. The requested increase in facility rates is supportable and may properly be recommended for approval.

B. RECOMMENDATION

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by Quakertown Marina for facilities be approved as requested and set forth below.

- Houseboat Dock B: \$2,750.00 (annual)
- Dock C: Houseboats \$2,375.00 (annual)
- Cabin Cruisers \$1,450.00 (seasonal)

2006
RECOMMENDATIONS
OF THE
NATURAL RESOURCES
COMMISSION

IN THE MATTER OF:)	
)	
PETITION FOR RATE INCREASE	)	ADMINISTRATIVE CAUSE
BY KENT’S HARBOR	)	NUMBER: 06-093P

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.
2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.
3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.
4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips and mooring buoys. The preponderance of information in the record discloses that the rate increases sought by Kent’s Harbor are within the range of slip rates for comparable facilities.
5. Kent’s Harbor has made improvements to the facilities by renovating the bathrooms and showers including the installation of new floors, ceilings, countertops, fixtures, mirrors, etc. The clubroom has been updated with new furnishings. A double retaining wall was installed to accommodate the construction of additional pull-offs. Additionally, a new parking area has been constructed around the lodging area along with new landscaping. There are also now three pump-out stations at the facility.
6. The requested increase in rates is within the industry range and is supportable. The requested rates may properly be recommended for approval.

B. Recommendation

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by the Lake Monroe Sailing Association, Inc. for existing facilities be approved as requested and set forth below.

Proposed 2007 Rates

B through H-dock

20'	\$1545.00 (unchanged)
24'	\$1595.00
26'	\$2085.00
30'	\$2405.00
36'	\$2725.00
40'	\$2995.00
46'	\$3155.00
50'	\$3430.00
Over 50	\$71.25/ft.

A –Dock

13' x 24'	\$2125.00
13' x 28'	\$2445.00
14' x 30'	\$2745.00
15' x 30'	\$2935.00
15' x 36'	\$3085.00
16' x 36'	\$3295.00
18' x 46'	\$4075.00
20' x 70'	\$6450.00
Over 70'	\$90.00/ft (unchanged)

Lodging Rates for 2006 Proposed 2007

Studio	\$133 per night	Accommodates 4	\$149
One Bedroom	\$165 per night	Accommodates 4	\$184
Two Bedroom	\$219 per night	Accommodates 8	\$249

IN THE MATTER OF:)	
)	
PETITION FOR RATE INCREASE	)	ADMINISTRATIVE CAUSE
BY THE LAKE MONROE SAILING	)	NUMBER: 06-094P
ASSOCIATION)	

**FINDINGS AND RECOMMENDATION
BY THE NATURAL RESOURCES COMMISSION
TO THE U.S. ARMY CORPS OF ENGINEERS**

A. Findings

1. The scope of the informal administrative review accorded by the Natural Resources Commission in Information #20 (First Amendment) is addressed to petitions for rate increase at marinas and related facilities on properties owned or leased by the Department of Natural Resources.
2. Although the Department may appropriately exercise whatever rights are provided in a ground lease with respect to marina facilities, as well as any other rights provided by law or equity, the scope of review provided in Information #20 (First Amendment) is limited to the subject of the petition for rate increase. Indeed, the Commission ultimately recommends action on the petition to the U. S. Army Corps of Engineers, and the Corps may either accept or reject the recommendation.
3. In determining whether to recommend a rate increase be granted, the Department is to analyze similar facilities and compare rates with those sought by the petition. Implicit to the public hearing is that interested persons may also seek and analyze comparables.
4. The use and analysis of comparables is fundamental to determining the propriety of proposed rate increases to marina slips and mooring buoys. The preponderance of information in the record discloses that the rate increases sought by the Lake Monroe Sailing Association (LMSA) are within the range of slip rates for comparable facilities.
5. LMSA has made improvements to the facilities by the replacement the old "A" dock, previously accommodating 10 boats, has been replaced with concrete decking and now accommodates 48 boats. The new "A" dock incorporates a wave attenuator for the protection of both boats and the dock. The old manager's residence has been replaced with larger accommodations and the septic system has been replaced. The "T" docks, which were dangerous having been damaged from wave action, have also been replaced with concrete decking. Two shelter packages have been purchased for the replacement of exiting shelters on the east shore. A wi fi hot spot has been installed in order for boat owners and the facility manager to monitor the dock areas to address security concerns. A second septic system serving the bathhouse was also replaced. The total cost of the improvements identified approximate \$486,000.00.

6. The requested increase in rates is within the industry range and is supportable. The requested rates may properly be recommended for approval.

B. Recommendation

The Natural Resources Commission recommends to the U.S. Army Corps of Engineers that the rate increase sought by the Lake Monroe Sailing Association, Inc. for existing facilities be approved as requested and set forth below.

Lake Monroe Sailing Association
Proposed Schedule of User Fees for the 2007 season

Winter Dry Storage (November through March)	<u>Proposed Fee</u>	<u>%change to nearest \$</u>
Dry Storage (20' or under)	103.00	3%
Dry Storage (20' to and including 26')	144.00	3%
Dry Storage (26' up to and including 30')	175.00	3%
Dry Storage (30 up to and including 34')	185.00	3%
Dry Storage (Boats over 34')	196.00	3%
Empty Trailer or Cradle	72.00	3%
Sailing Season Use (April through October)		
Board Boat (1 st boat) (I.e. windsurfer)	82.00	3%
Board Boat (second boat)	71.00	3%
Dry Storage (20' or under)	321.00	3%*
Dry Storage (over 20' up to 26')	422.00	3%*
Dry Storage (26' and over)	496.00	3%*
Buoy (standard single anchor)	819.00	3%*
Buoy (heavy duty double anchor)	922.00	3%*
Slips		
Concrete breakwater		
24' x 12'	1334.00	3%*
26' x 12'	1437.00	3%*
30' x 14'	1540.00	3%*
32' x 14'	1643.00	3%*
34' x 14'	1746.00	3%*
Wooden Slips		
22' x 12'	1076.00	3%*
24' x 12'	1128.00	3%*
26' x 12'	1231.00	3%*

*Consistent with prior practice, users are permitted to deduct \$200.00 from the above sailing Season storage fees for boats upon agreeing to complete 20 hours of work in the LMSA Earned Credit program. Users failing to meet their earned credit commitment are charged for the unearned credit.